

MULTIMEDIA



UNIVERSITY

STUDENT IDENTIFICATION NO

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# MULTIMEDIA UNIVERSITY

## SUPPLEMENTARY EXAMINATION

TRIMESTER 1, 2015/2016

**BAC3614 – ACCOUNTING INFORMATION SYSTEMS 2**  
(All Sections / Groups)

18 NOV 2015  
2.30 PM – 5.30 PM  
(3 HOURS)

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### INSTRUCTIONS TO STUDENTS

1. This Question paper consists of 3 pages excluding cover page with 4 Questions only.
2. Answer all **FOUR** questions. Mark distribution for each question is given.
3. Please print all your answers in the Answer Booklet provided.

**QUESTION 1**

- a) Technology can improve cash flow in situations where customers send payments directly to the company. For example the existence of electronic fund transfer (EFT) and financial electronic data interchange (FEDI). Briefly explain the process involve with this two (2) technologies. (8 marks)
- b) Identify control that would best mitigate the following threats :
- i. During processing of customer payments, the digit 0 in a payment of RM 204.00 was mistakenly typed as the letter "O." As a result, the transaction was not processed correctly and the customer erroneously received a letter that the account was delinquent.
  - ii. The hours worked field in a payroll transaction record contained the value 400 instead of 40. As a result, the employee received a paycheck for RM 6,257.24 instead of RM 654.32.
  - iii. After processing sales transactions, the inventory report showed a negative quantity on hand for several items.
  - iv. A customer order for an important part did not include the customer's address. Consequently, the order was not shipped on time and the customer called to complain.
  - v. A visitor to the company's Web site entered 400 characters into the five-digit Zip code field, causing the server to crash. (10 marks)
- c) Identify two (2) types of threats and appropriate control procedures during ordering and cash disbursements activities in Expenditure Cycle. (7 marks)

(Total: 25 marks)

**QUESTION 2**

- a) Reliability and availability are considered to be important aspects when it comes to designing any system. In theory, a reliable product is free of technical errors. In practice, however, vendors frequently express a product's reliability as a percentage of system downtime. Evolutionary products such as those that have evolved through numerous versions over a significant period of time are usually considered to become increasingly reliable, since it is assumed that bugs have been eliminated in earlier releases. In view of the above narration, explain what you understand by the term system reliability. (5 marks)

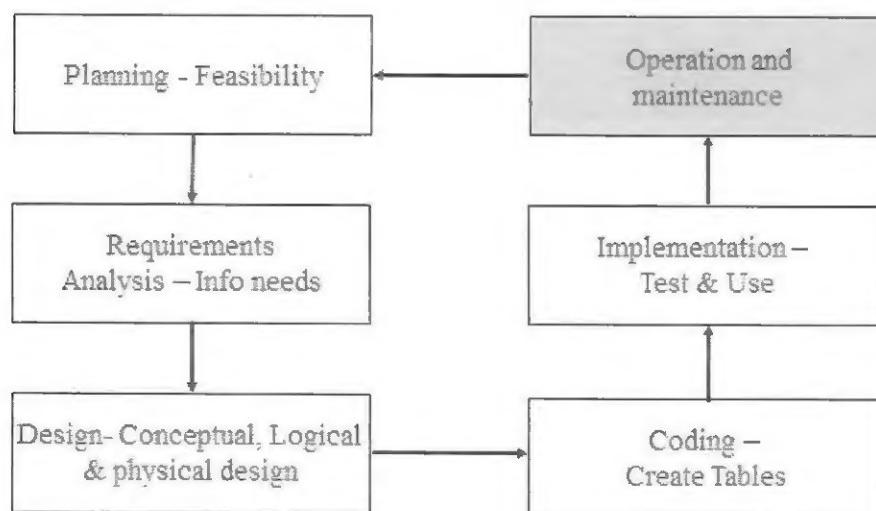
**Continued...**

- b) One of the reasons that computer users nowadays are facing is the possibilities that their access is being hacked by unauthorised people is due to ineffective passwords. Describe five (5) requirements of effective passwords. (5 marks)
- c) Internal control provides reasonable assurance for companies in ensuring that control objectives are achieved. Mainly, internal controls provide three (3) functions – preventive, detective and corrective controls. Two examples of preventive controls is (i) Training and (ii) User Access Controls. You are required to discuss in detail these controls. (5 marks)
- d) One form of physical access control is biometric security device. Explain what you understand by this device. You are also required to discuss two advantages and two disadvantages of implementing this in taking employees' attendance, instead of punch card approach. (10 marks)

(Total: 25 marks)

### **QUESTION 3**

- a) There are six stages in database design and operation, which are shown in the following diagram. One of the longest stages is the operation and maintenance.



*Diagram 1 : Six stages in database design and operation.*

- Elaborate what are the activities involved in the stage. (5 marks)
- Describe the roles of accountants in the stage. (5 marks)

**Continued...**

- b) Nowadays, many of them prefer to go for database approach despite being costly compared to the file oriented approach. Discuss four (4) reasons why this is so.

(10 marks)

- c) When companies change their manual to automated approach in data entry, there are some problems/challenges that will be faced. Elaborate two (2) instances.

(5 marks)

(Total: 25 marks)

#### **QUESTION 4**

- a) Explain with examples four (4) types of threats faced by modern information systems.

(8 marks)

- b) Hacking is the unauthorized access, modification or use of a computer system usually means of a PC and a communications network. What motives do people have for hacking? Why has hacking become popular in recent years? Do you regard it as a crime? Explain your views regarding this.

(12 marks)

- c) Explain what it means by “identity theft” and “phishing”.

(5 marks)

(Total 25 marks)

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